

SECTION 210—PREPARING AND SUBMITTING A STRATEGIC PLAN**Highlights for 2003–2004 and Section Index****Highlights**

Strategic plans will provide the overarching framework for agency performance-based management.

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210.1 Preparing a strategic plan: The main elements**(a) *Summary of strategic plan elements.***

The basic requirements for strategic plans are set forth in Section 3 of the Government Performance and Results Act (GPRA). A strategic plan contains the following elements:

The agency mission statement;

- One or more general goals (general goals are typically outcome goals, and are also called long-term performance measures);
- A description of the means and strategies that will be used to achieve the goals;
- A description of the relationship between annual performance goals in the performance budget and the long-term (general) goals in the strategic plan;
- Identification of key factors that could affect achievement of the long-term goals; and

A description of program evaluations used in preparing the strategic plan, and a schedule for future evaluations.

Your agency's strategic plan keys on those programs and activities that carry out your agency's mission. Revisions of your strategic plan should take into account the Administration's development of the Program Assessment Rating Tool (PART) and the focus on developing a performance budget.

Strategic plans should guide the formulation and execution of the budget. Your strategic plan is a tool to be used in setting priorities and allocating resources consistent with these priorities. A strategic plan is not a budget request, and the projected levels of goal achievement must be commensurate with anticipated resource levels.

(b) *What does a strategic plan include?*

- An agency strategic plan includes a comprehensive mission statement. A mission statement is brief, defining the basic purpose of your agency, and corresponds directly with your core programs and activities. Your agency's program goals should flow from the mission statement.
- An agency strategic plan must include one or more general goals. The goal(s) must be defined in a manner that allows a future assessment to be made on whether the goal was or is being achieved. Most general goals will be outcomes, and are long-term in nature.

Illustrative Examples of General Goal Definitions

<i>Quantitative:</i>	Seventy percent of American households will own their own home in 2010.
<i>Directly measurable:</i>	Complete the sequencing of the horse genome by June 2005.
<i>Assessment-based:</i>	Educational attainment at grade nine of children who participated in the Sure Learn program will be at least equal to the attainment level of all similarly aged children.

- The agency strategic plan must describe the processes, skills, technologies, and various resources that will be used to achieve the general goals. (These are often called 'means and strategies'.) These may include:
 - ▶ Operational processes, such as changes in work methods or sequencing, workforce adjustments, and shifts in responsibility for particular tasks;
 - ▶ Staff skills, and the development, introduction, and use of technologies; and
 - ▶ Human capital information, and other resources.

Descriptions should be brief. More detailed data should be provided if a significant change in a particular means or strategy will be essential for goal achievement.

- A description of the relationship between annual performance goals included in the performance budget and the general goals in the strategic plan;

An updated and revised strategic plan should briefly outline:

- ▶ The type, nature, and scope of the performance goals being included in annual performance budgets, and
- ▶ How these annual performance goals relate to the long-term, general goals, and their use in helping determine the achievement of the general goals.
- Key factors, external to the agency that could significantly affect the achievement of general goals. If key factors cannot be identified, a statement of such should be included in the plan.

- Achievement of general goals can be affected by certain previously prospective conditions or circumstances actually occurring during the time period covered by the plan. These conditions or circumstances are identified in the plan as key factors, and provide insight on the presumptions an agency used when defining its goals. Key factors may enhance or nullify these assumptions and the likelihood of goal achievement.
- These factors are often called external factors, as they are introduced by external forces or parties, and are not of the agency's own making. The factors may be economic, demographic, social, or environmental, and they may remain stable, change within predicted rates, or vary to an unexpected degree. Goal achievement may also be predicated on certain conditions (events) not happening. Achievement of goals can also depend on the action of Congress, other Federal agencies, States, local governments, or other non-Federal entities.
- A description of completed program evaluations that were used in developing the strategic plan, and a schedule for future program evaluations. For additional information on program evaluations, see Question 2.6 in the PART guidance for the FY 2005 Budget, OMB Budget and Procedures Memorandum No. 861, at <http://www.whitehouse.gov/omb/part/>.
- One or more strategic goals, which are descriptions of aim or purpose. Strategic goals are not inherently measurable, and are intended to be used to group several or more related outcome goals in the performance budget. As such, strategic goals are a basic building block for the performance budget.

210.2 Preparing a strategic plan: Format and other features

No specific format is prescribed for your strategic plan. An updated strategic plan is a complete plan, containing all required plan elements.

Your plan should outline the process for communicating goals and strategies throughout the agency, and for assigning accountability to managers and staff for goal achievement. The nature and dimension of your management-related initiatives and reforms may merit your including a management section in your strategic plan. An agency may describe significant risks that threaten achievement of the general goals. These risks are associated with internal agency operations and functions, and are separate and distinct from external factors.

If appropriate, include a classified appendix. A classified appendix covers any material specifically authorized under criteria established by an Executive order, to be kept secret in the interest of national defense or foreign policy.

A strategic plan must cover the major functions and operations of your agency. You have discretion to omit support-type activities and operations. Strategic plans prepared primarily for your agency's internal use (such as those prepared at a program or component-unique level) may cover a greater range of functions and operations.

You should submit a single agency-wide plan. By 2003, the strategic planning process should be sufficiently mature in all agencies to support preparation of a single agency-wide plan. However, GPRA does allow an agency with widely disparate functions to prepare several strategic plans for its major components or programs. In these instances, an overview that brings together the component plans is prepared. Please consult with the appropriate OMB office and secure its approval if your agency will be unable to prepare a single agency-wide plan.

A strategic plan spans a minimum six-year period: the fiscal year it is submitted and at least five years forward of that fiscal year. (For example, a plan submitted in FY 2003 would cover FY 2003 through FY 2008.) A plan may be for a period longer than six years; for example, containing a project completion goal ten years in the future. A strategic plan, while covering a minimum six year period, is only current for three years.

210.3 Submission of strategic plans

(a) *Timing of strategic plan submissions.*

An agency submits an updated and revised strategic plan to Congress and OMB within three years of submitting its previous strategic plan. An updated plan will often retain, unchanged, the elements of a previous strategic plan, such as the mission statement.

GPRA does not set a specific calendar date for submissions of updated and revised strategic plans. Agencies submitting plans in September 2000 would subsequently submit their second updated plan no later than September 30, 2003. Agencies transmitting an updated plan other than in September 2000 would have three years from their submittal date.

For newly established agencies, the three-year cycle begins with the submittal of the initial strategic plan to Congress. For example, a new agency that had submitted its initial strategic plan in June 15, 2002 would submit an updated plan no later than June 15, 2005.

Consistent with current policy and practice regarding interagency clearance of certain material being sent to Congress, you provide OMB with an advance copy of an updated strategic plan at least 45 days prior to the date for transmitting the plan to Congress and making it available to the public.

(b) *Consultation and outreach*

When preparing a strategic plan, agencies must consult with Congress and solicit and consider the views of interested and potentially affected parties. This consultation and outreach may result in contrary views being expressed.

(c) *Transmittal of plans to Congress and OMB.*

The plan is transmitted to Congress and OMB by the agency head. Transmittal letters are addressed to the Speaker of the House of Representatives, the President and the President pro tempore of the Senate, and the Director of OMB. Distribution is also made to relevant committees of the Congress. The letter transmitting the agency strategic plan to Congress includes a summary of the consultation and outreach processes, and any contrary views. Strategic plans are made available to the public.

GPRA states that the preparation of a strategic plan is an inherently governmental function, and the plan is to be drafted only by Federal employees. However, when preparing a plan, agencies may be assisted by non-Federal parties, such as consultants or contractors. The transmittal should include an acknowledgment and brief description of the contribution by a non-Federal entity in preparing the plan.

Strategic plans are a matter of public record; the public should be afforded the opportunity to access the completed plan. Your agency should place the strategic plan on its website, or make it available through other electronic media. On request, a paper copy should be provided. Generally, a strategic plan should become publicly available when the plan is transmitted to Congress.

210.4 Interim adjustments to strategic plans

(a) *Scope of interim adjustments.*

You may make minor adjustments to a strategic plan in advance of the three-year revision cycle. Adjustments can include changes to the general goals, the means and strategies used to achieve the goals, the key external factors, or the program evaluation schedule. Modifications may reflect altered circumstances or evaluations of program performance. Interim adjustments are selective and do not produce widespread changes in a plan.

You need not consult with Congress, or conduct outreach to potentially interested or affected parties when preparing interim adjustments.

Significant changes to your strategic plan are made using the more extensive update process, even if this accelerates the three-year revision cycle. Consultation requirements apply in these instances. Interim adjustments do not alter the three-year revision cycle for strategic plans.

(b) *Transmittal of interim adjustments.*

Append an interim adjustment to your budget submission as a separate, easily found section. Present only the adjustments, not the entire strategic plan. The interim adjustments should be included both in the performance budget sent to OMB in September, and in the performance budget sent to Congress in February.

Adjustments do not require a formal transmittal. You should distribute, or otherwise make publicly available, the interim adjustments so readers can reference or review the most current strategic plan content.

As most agencies will be transmitting an updated and revised strategic plan to Congress and OMB in September, 2003, the need for interim adjustments should be confined to those agencies who transmitted an updated and revised strategic plan in either 2001 or 2002.

